



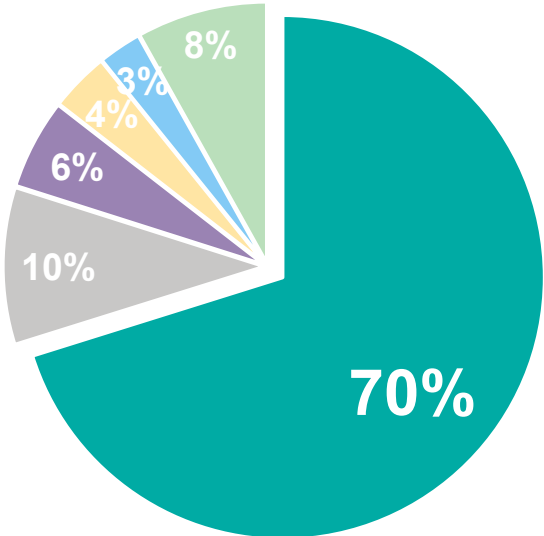
Healthcare Horizons Summit

Life Sciences Market Overview – The Global Perspective

Thomas Wakim

The global perspective is dominated by the US

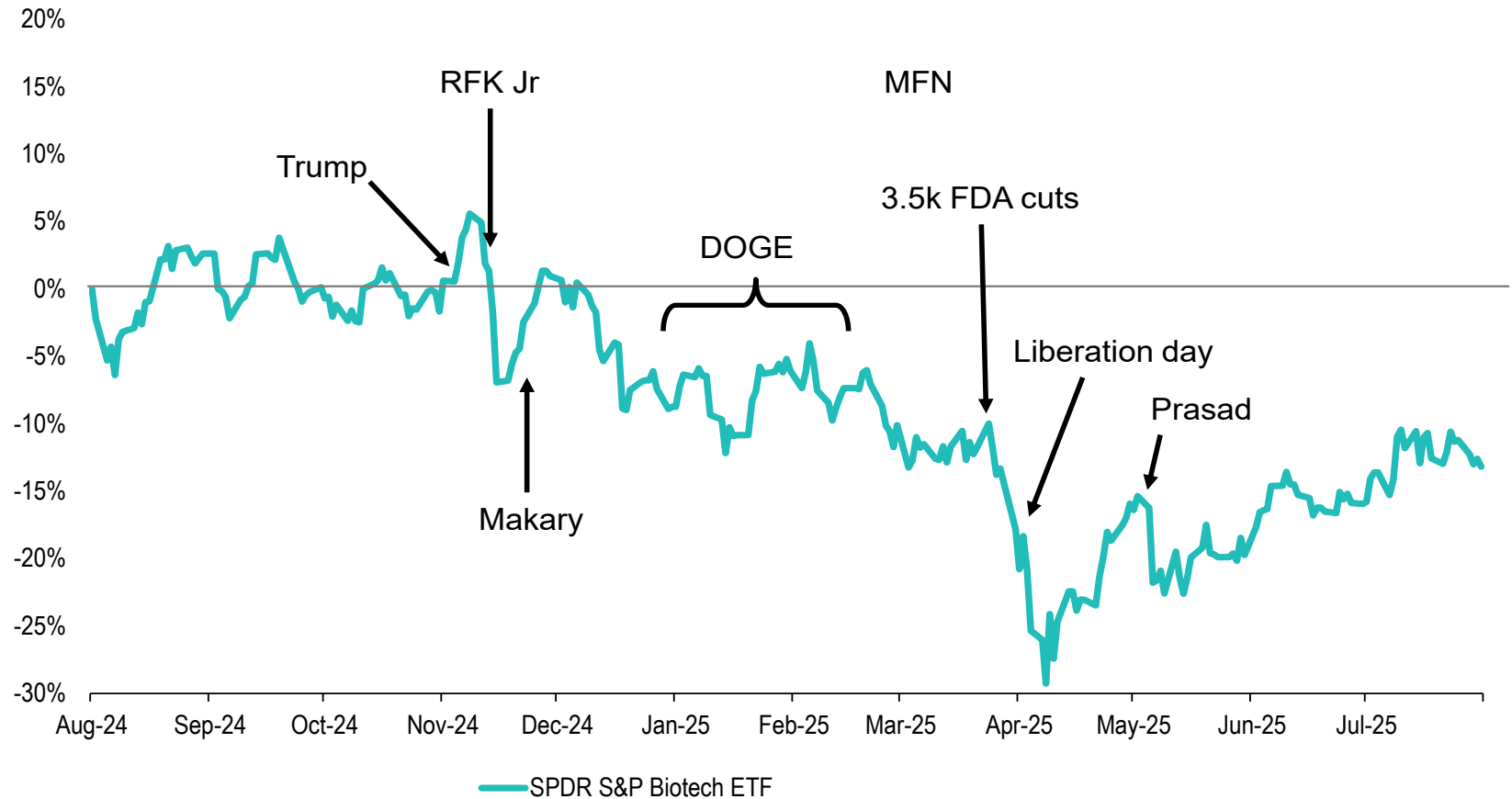
**MSCI World Health Care Index:
Country Weighting**



■ USA ■ Switzerland ■ UK ■ Japan ■ France ■ Other

US Life Sciences

12 months ago, Healthcare sentiment was at a low



US Healthcare +3.5% in LTM, driven by last 6 months

S&P 500 Health Care (Sector)

1,777.87 ↑ 3.47% +59.61 1Y

Mar 6, 6:22:18 PM UTC-4 · INDEXSP · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



Data as at 9 March 2026

A tale of two stories...

S&P 500 Health Care (Sector)

1,777.87 ↑ 3.47% +59.61 1Y

Mar 6, 6:22:18 PM UTC-4 · INDEXSP · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



Pharma has been the Winner

Pharma
+25%

S&P 500 Health Care (Sector)

1,777.87 ↑ 3.47% +59.61 1Y

Mar 6, 6:22:18 PM UTC-4 · INDEXSP · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX

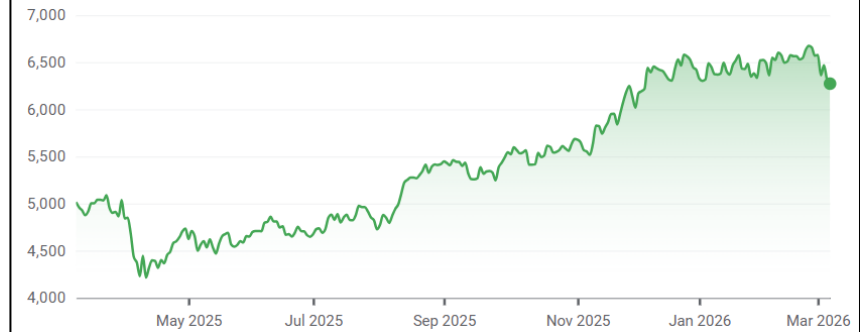


S&P Pharmaceuticals Select Industry Index

6,271.69 ↑ 25.04% +1,256.05 1Y

Mar 6, 6:46:55 PM UTC-4 · INDEXSP · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



Pharma has been the Winner, Devices down.

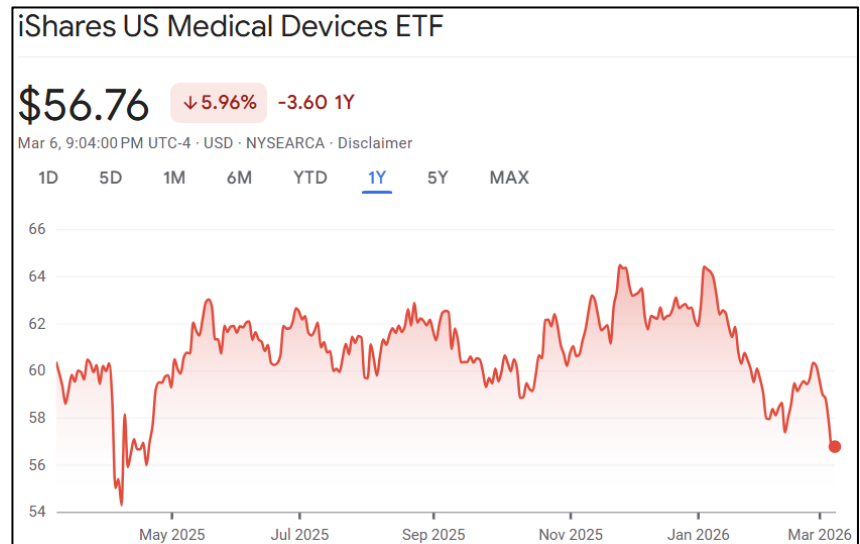
**Pharma
+25%**



S&P 500 Health Care (Sector)



**Medical Devices
-6%**



Biotech the biggest standout

Pharma
+25%

Biotech
+44%

Medical Devices
-6%

S&P 500 Health Care (Sector)

1,777.87 ↑3.47% +59.61 1Y

Mar 6, 6:22:18 PM UTC-4 · INDEXSP · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



S&P Pharmaceuticals Select Industry Index

6,271.69 ↑25.04% +1,256.05 1Y

Mar 6, 6:46:55 PM UTC-4 · INDEXSP · Disclaimer

State Street SPDR S&P Biotech ETF

\$124.00 ↑43.78% +37.76 1Y

Mar 6, 9:04:00 PM UTC-4 · USD · NYSEARCA · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



iShare

\$56.76 ↓5.96% -3.60 1Y

Mar 6, 9:04:00 PM UTC-4 · USD · NYSEARCA · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



Key Themes

Biotech and Pharma

1) The GLP revolution is here to stay

1) The GLP revolution is here to stay

US\$80b in sales already, split between Lilly and Novo.

GLP-1 approved indications:

- 1) Weight loss
- 2) T2 diabetes
- 3) Reduction in major cardiovascular events
- 4) Reduced liver fibrosis (MASH)
- 5) Improved kidney function in ESKD
- 6) Sleep apnoea

1) The GLP revolution is here to stay

US\$80b in sales already, split between Lilly and Novo.

GLP-1 approved indications:

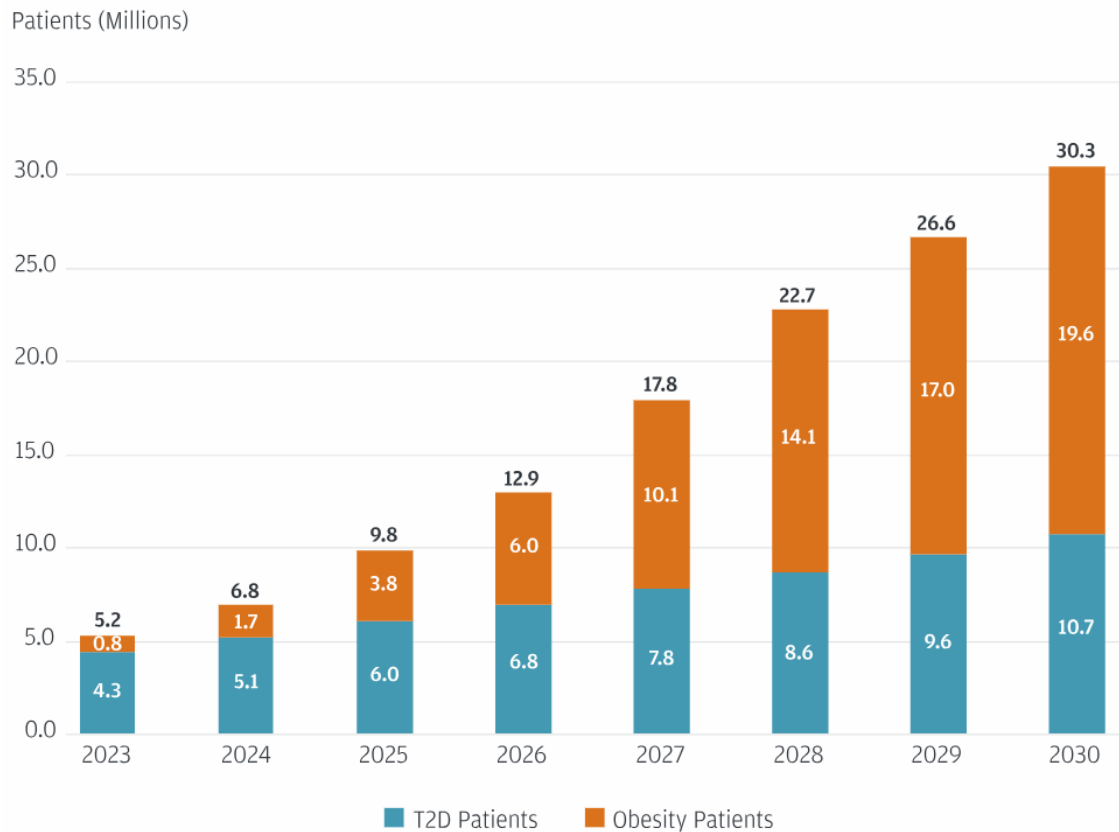
- 1) Weight loss
- 2) T2 diabetes
- 3) Reduction in major cardiovascular events
- 4) Reduc
- 5) Improv
- 6) Sleep



1) The GLP revolution is here to stay

US\$80b → US\$200b by 2030.

~30 million Americans on GLPs by 2030 (vs 10 million today).

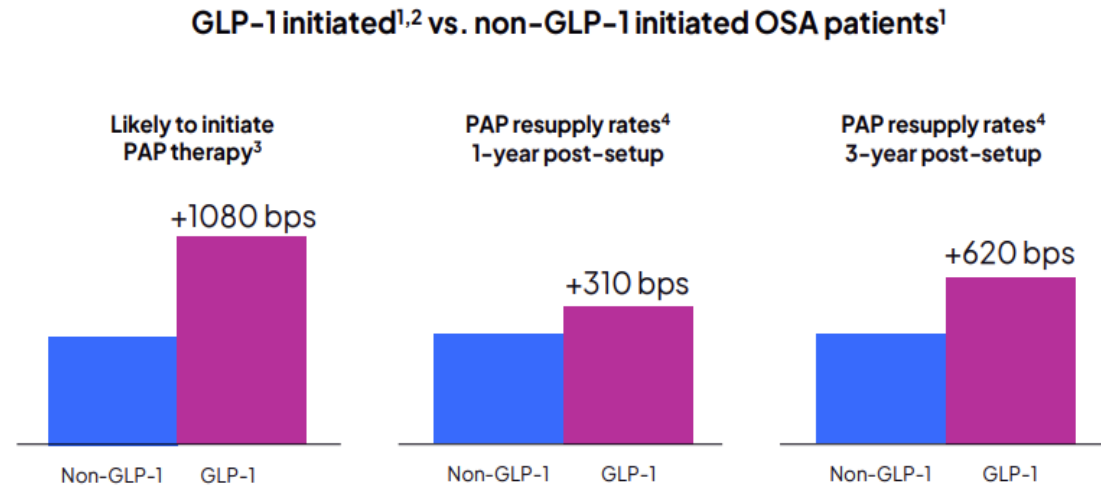


Source: IQVIA, Company Reports, J.P. Morgan Estimates

1) The GLP revolution is here to stay

ResMed: GLP1-treated patients more likely to start and resupply CPAP.

Patients with an OSA diagnosis **and** prescribed a GLP-1 drug are **more likely** to initiate PAP therapy and have **higher PAP resupply rates**

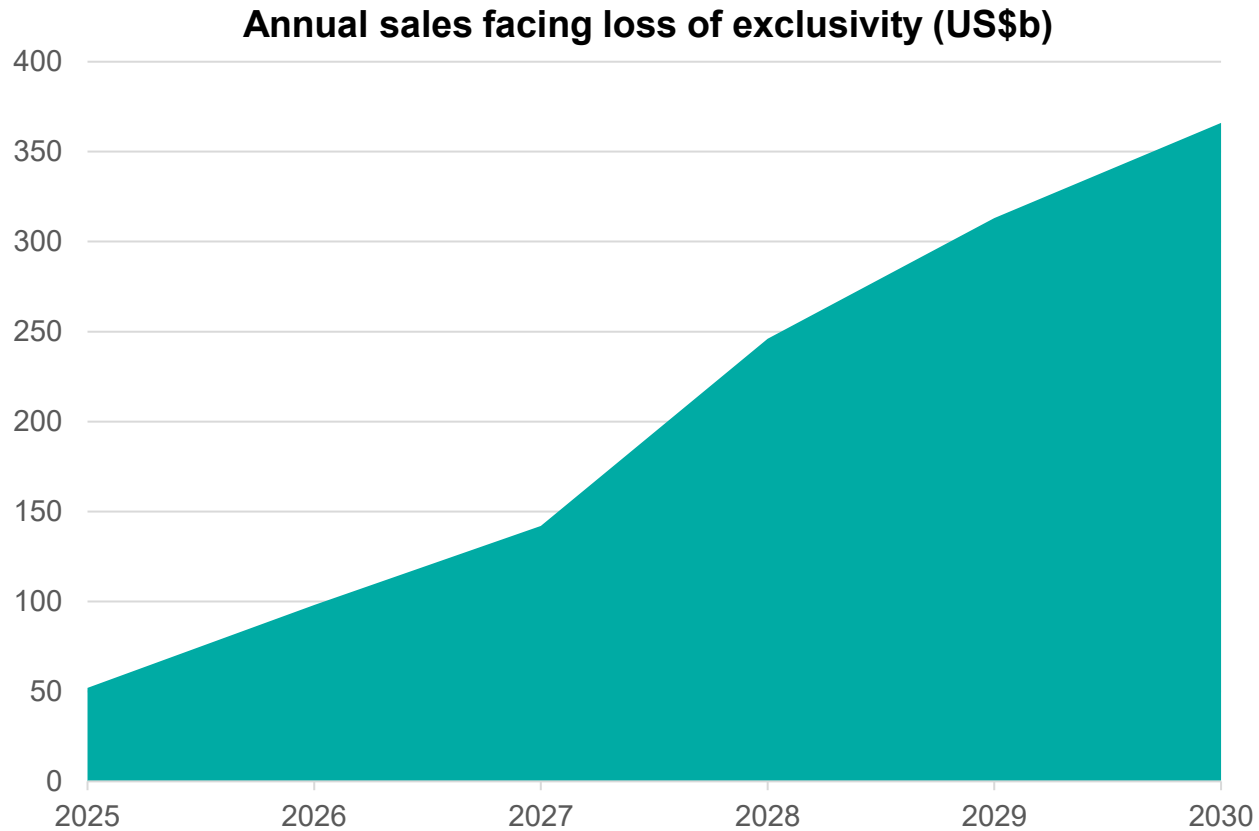


Large real-world data analysis: n = 1,954,000 patients with GLP-1 initiation, sleep apnea diagnosis, and Rx for PAP therapy⁵

2) Patent cliff driving the hunt for new growth

2) Patent cliff driving the hunt for new growth

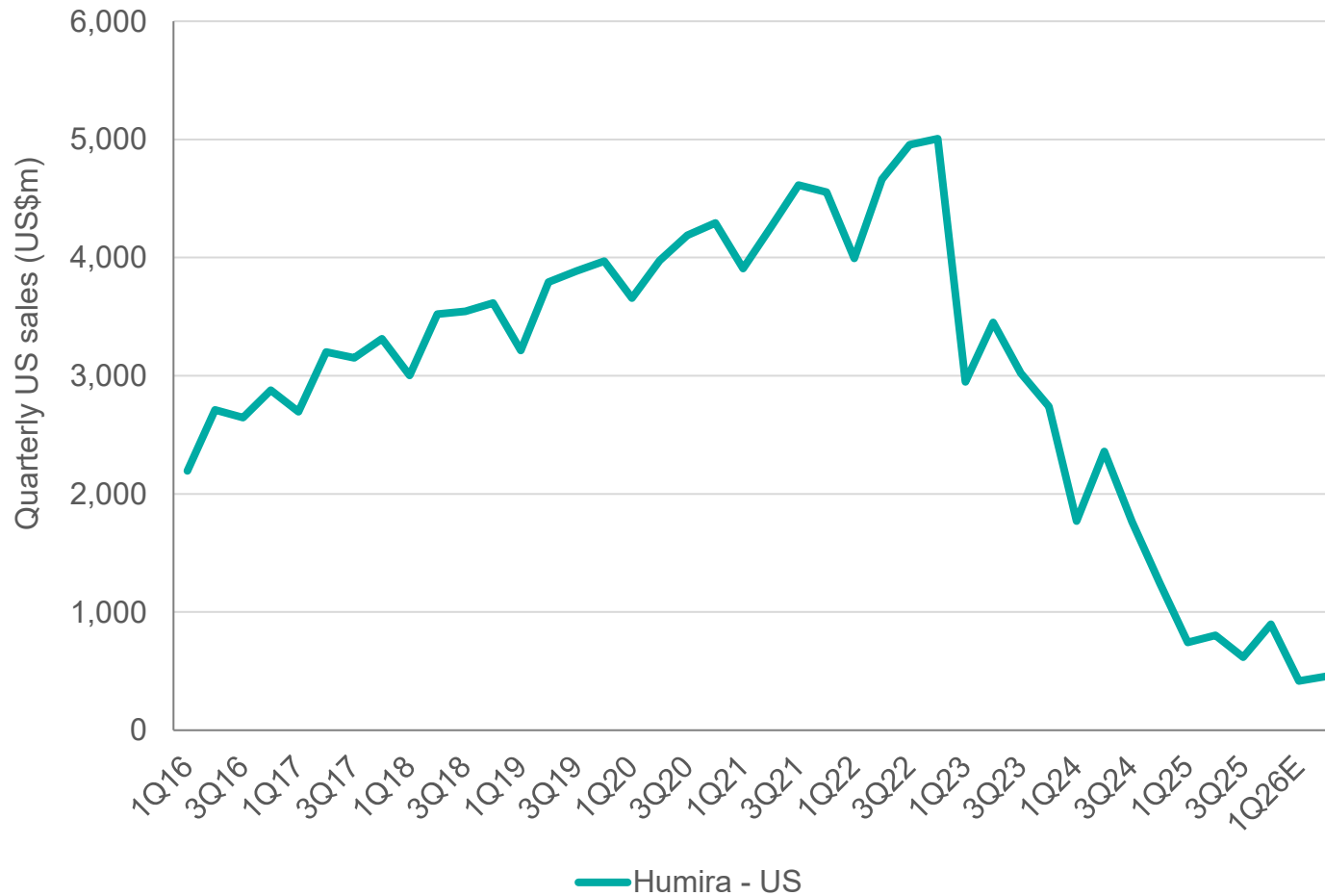
Over US\$300b of annual sales will come off patent by 2030.



Source: Evaluate Pharma

2) Patent cliff driving the hunt for new growth

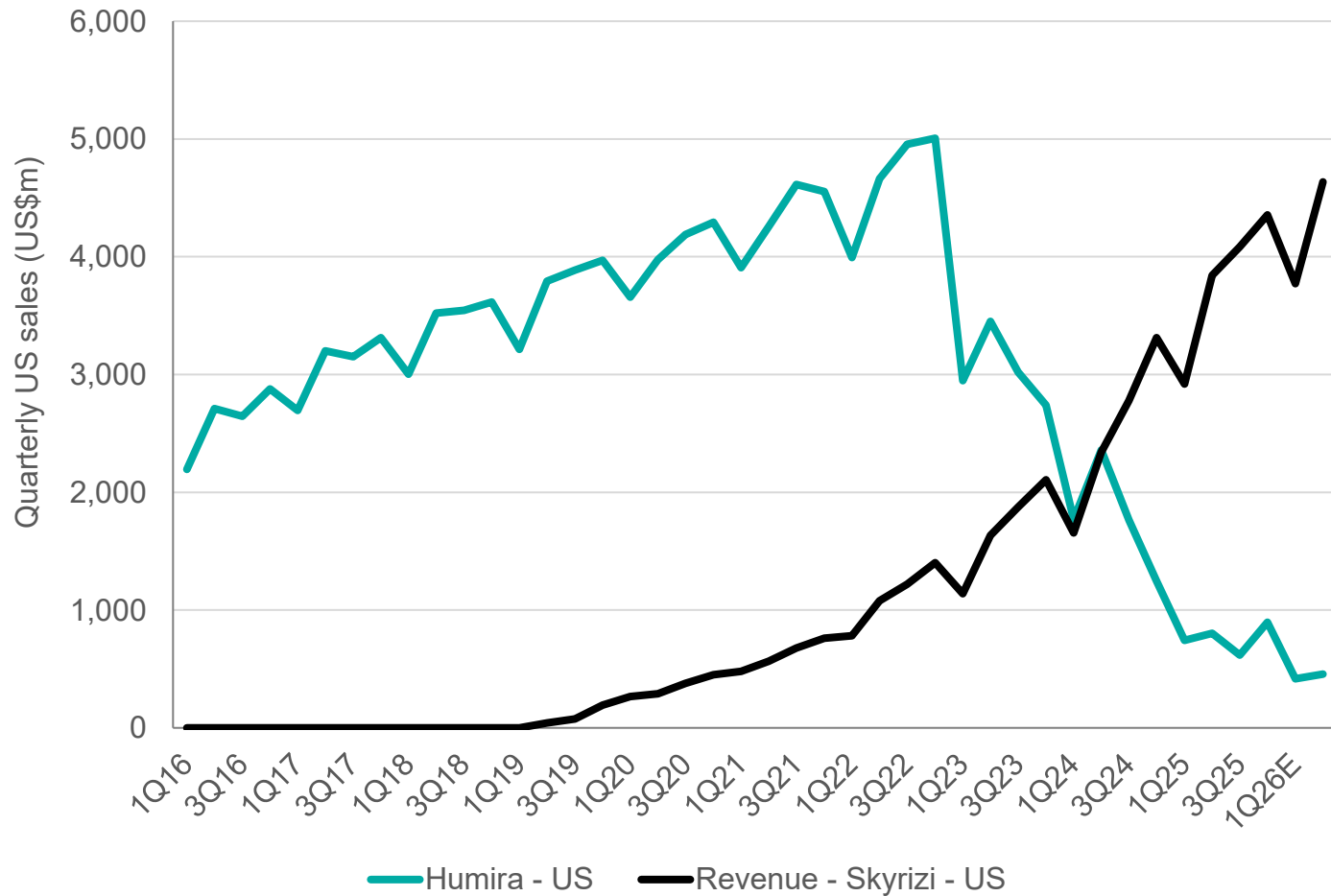
Humira: Sales down 75% in 3 years.



Source: Visible Alpha

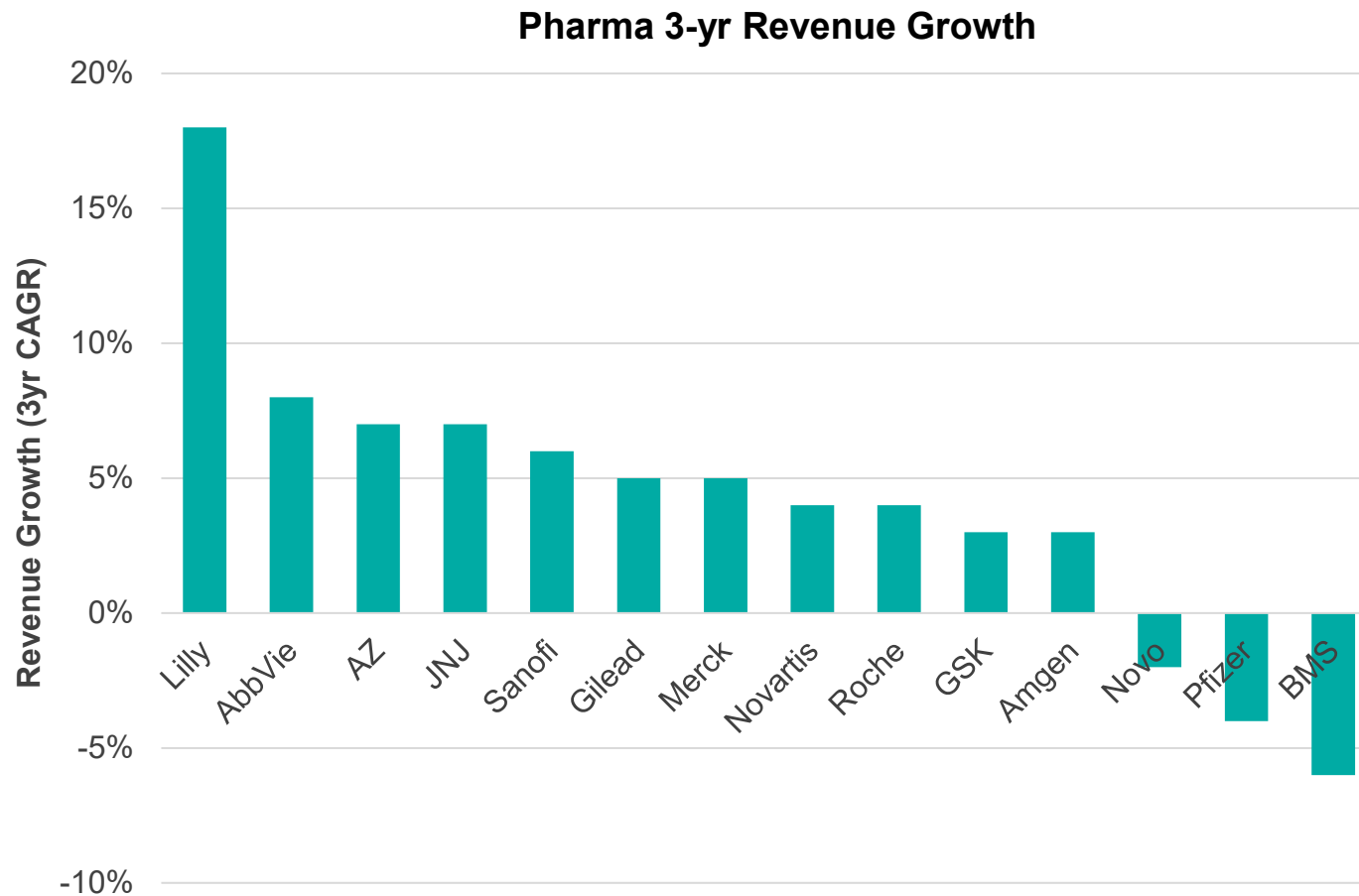
2) Patent cliff driving the hunt for new growth

Skyrizi has bridged the gap.



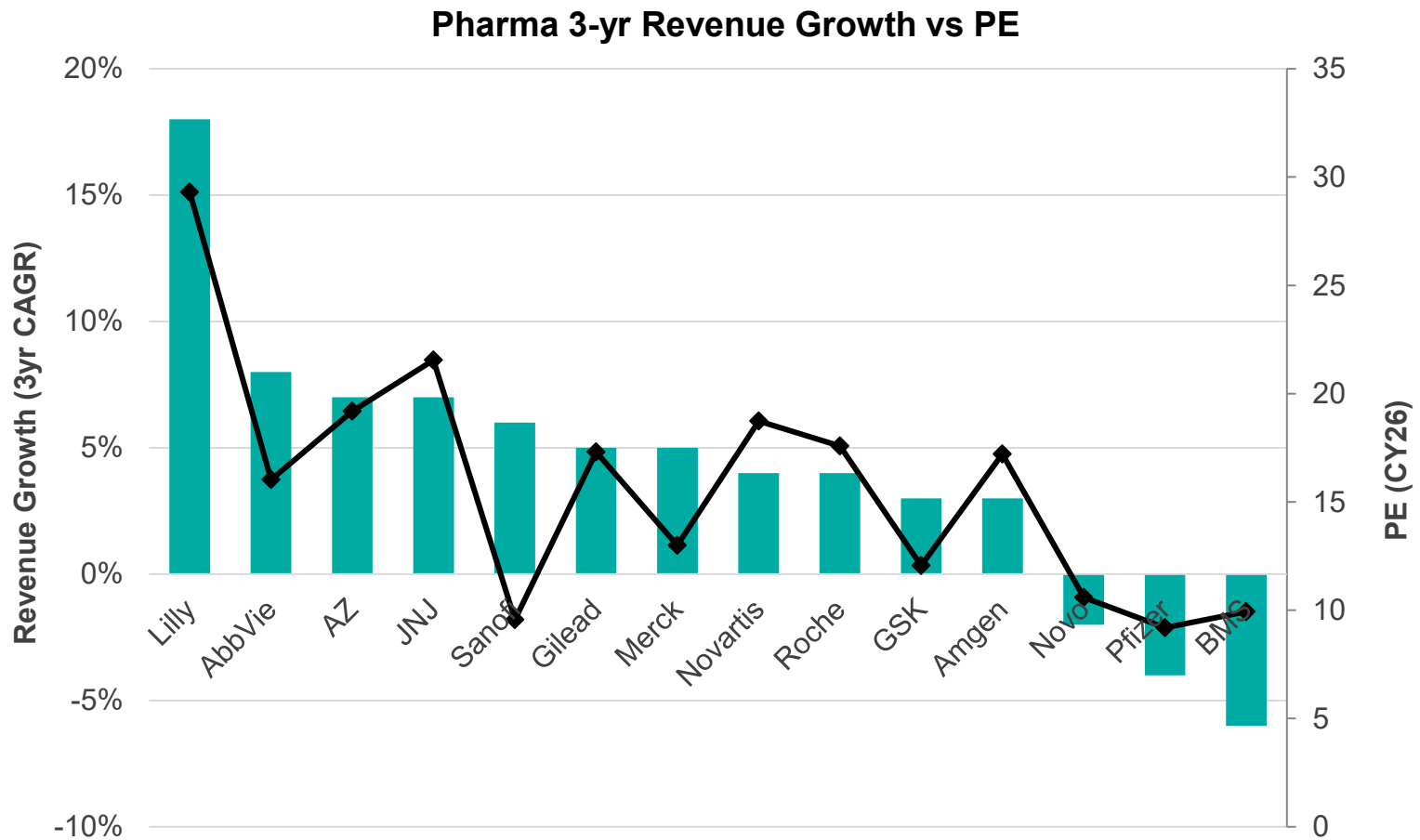
Source: Visible Alpha

2) Patent cliff driving the hunt for new growth



Source: Visible Alpha

2) Patent cliff driving the hunt for new growth



Source: Visible Alpha

3) M&A is essential and likely to accelerate

Source: Visible Alpha

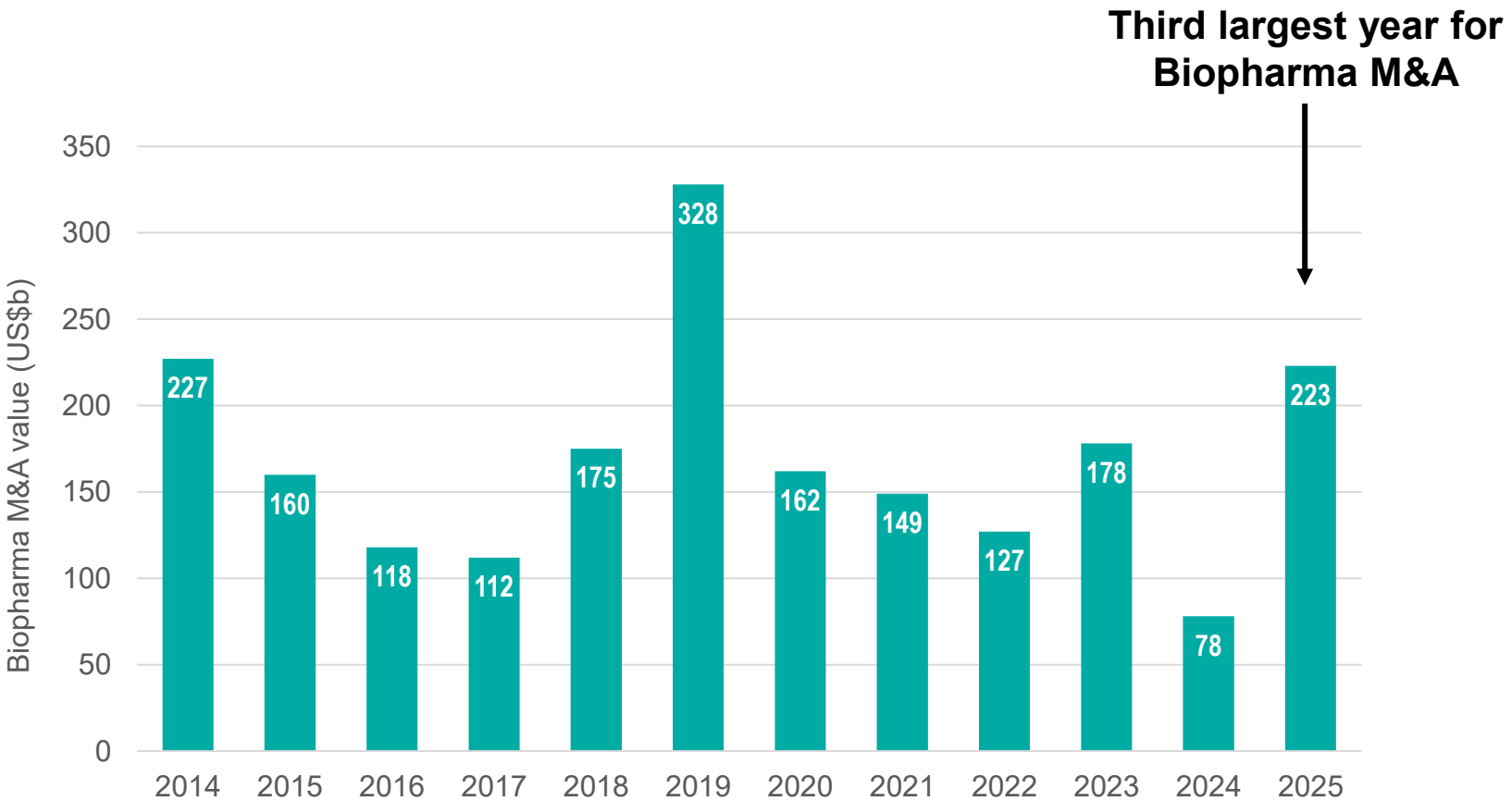
3) M&A is essential and likely to accelerate

Only ~35% of new drug approvals **developed internally** by big pharma.

Source: Schuhmacher et al. (2023), 'Investigating the Origins of Recent Pharmaceutical Innovation'.

3) M&A is essential and likely to accelerate

Only ~35% of new drug approvals **developed internally** by big pharma.



Source: Stifel via S&P, CapitalIQ and DealForma.

3) M&A is essential and likely to accelerate



BIOPHARMA DIVE

Deep Dive

Library

Events

Press Releases

Topics ▾

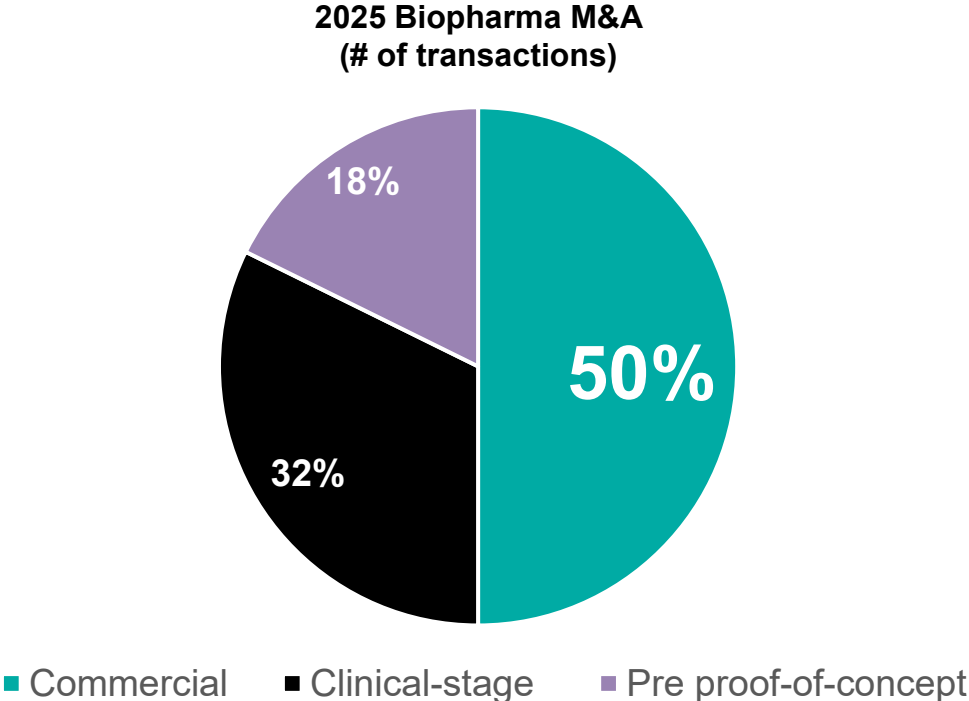
Pfizer wins bidding war for Metsera with \$10B offer

The new proposal for the coveted obesity drug developer is more than double the size of Pfizer's original bid and ends a squabble with Novo Nordisk that had resulted in lawsuits.

Published Nov. 8, 2025

3) M&A is essential and likely to accelerate

Half of 2025 biopharma M&A was for commercial-stage assets.

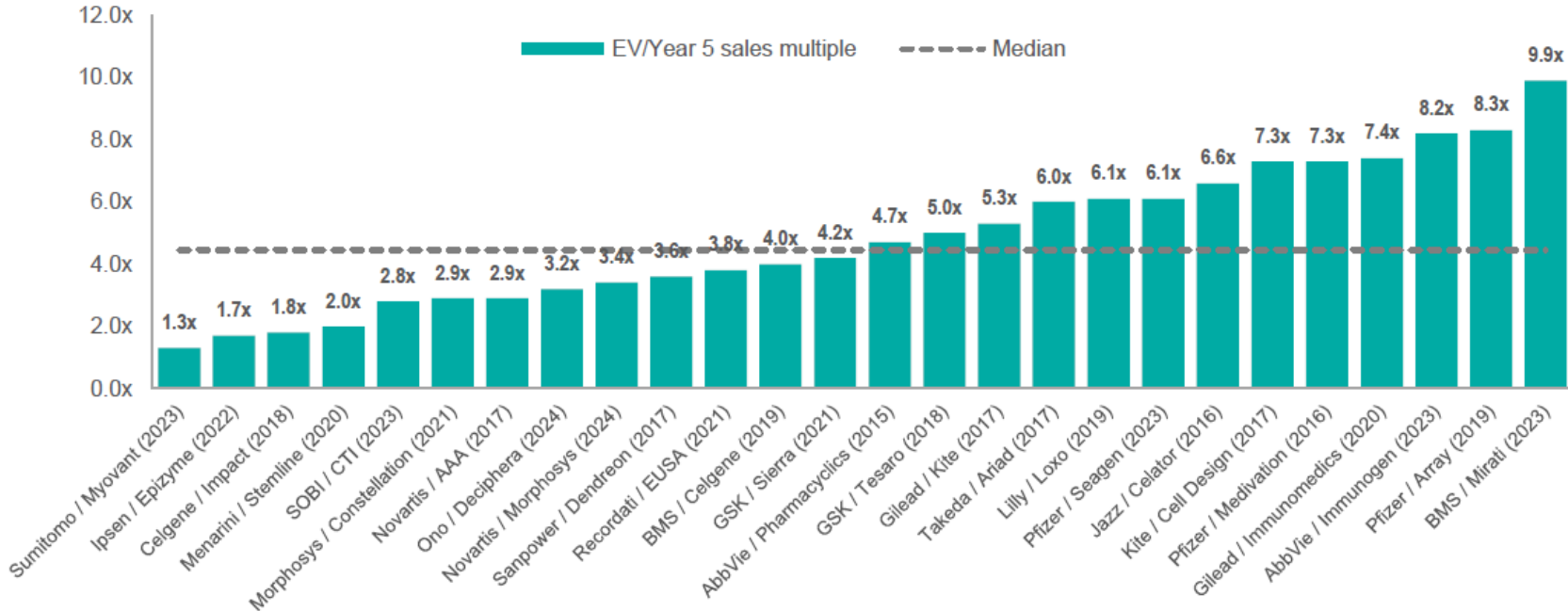


Source: Stifel via S&P, CapitalIQ and DealForma. Excludes 'Consumer Pharma' segment.

3) M&A is essential and likely to accelerate

But what does Pharma pay? Historically ~4-5x peak sales.

Figure 6 - EV/Year 5 sales multiple in M&A oncology deals (2017-2024, n=26)



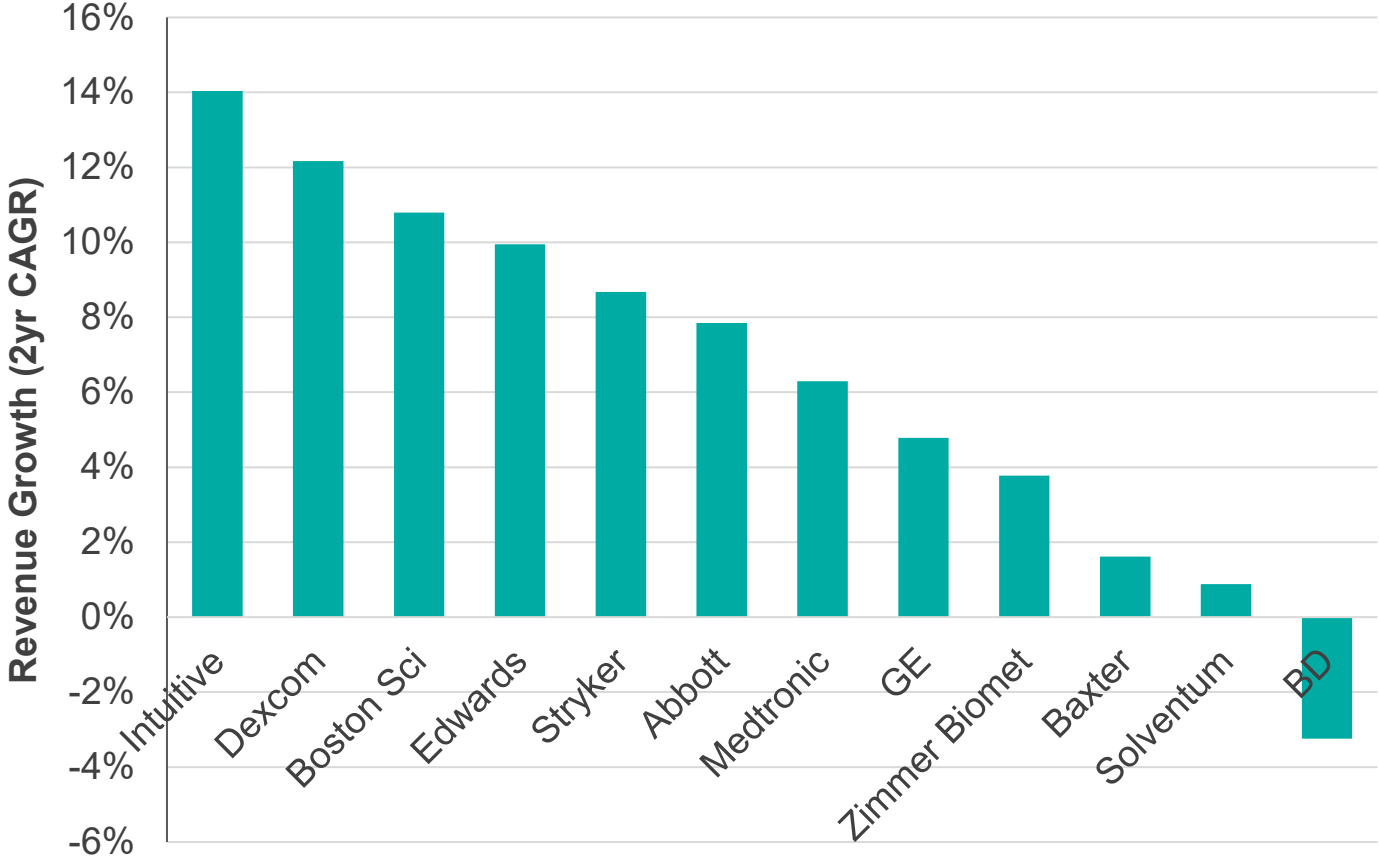
Source: Stifel oncology market update, June 2025.

Key Themes

Medical Devices

Like Pharma, the need to innovate for growth remains crucial.

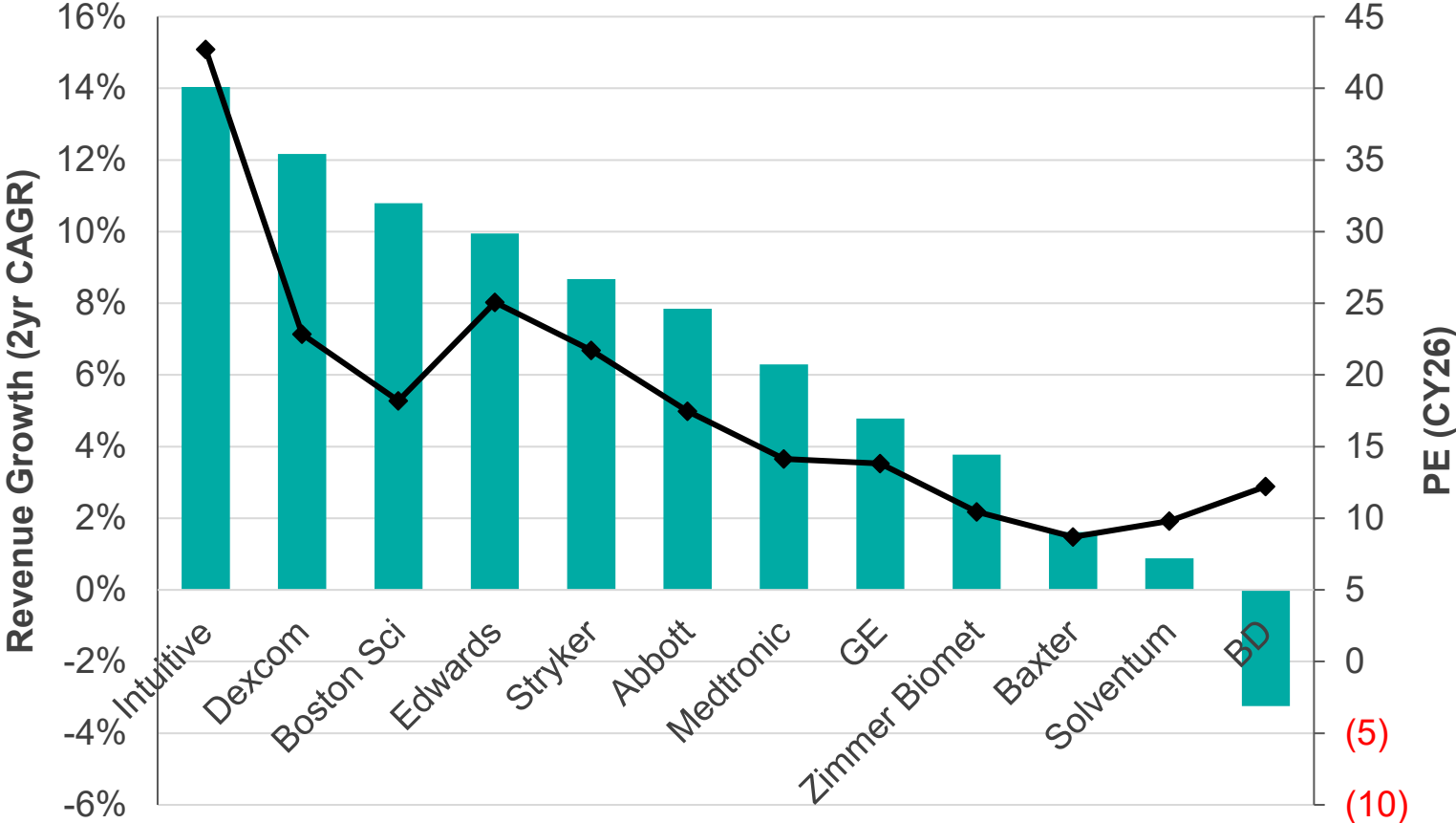
Med Device 2-yr Revenue growth



Source: Visible Alpha

Like Pharma, the need to innovate for growth remains crucial.

Med Device 2-yr Revenue growth vs PE



Source: Visible Alpha

4) Divesting “slower” and “lower” business units.

Slower growth and **Lower margin** business units being separated.

4) Divesting “slower” and “lower” business units.

Slower growth and **Lower margin** business units being separated.

1 Johnson & Johnson Announces Intent to Separate Its Orthopaedics Business

10/14/2025



Strengthens focus of Johnson & Johnson as an innovation powerhouse and accelerates the portfolio shift of its MedTech Segment to higher-growth and higher-margin markets

Standalone orthopaedics business would operate as DePuy Synthes and be the largest, most comprehensive orthopaedics-focused company in the world

Namal Nawana appointed to serve as Worldwide President of DePuy Synthes

NEW BRUNSWICK, N.J.--(BUSINESS WIRE)-- Johnson & Johnson (the “Company”) (NYSE: JNJ) today announced the Company’s intent to separate its Orthopaedics business to enhance the strategic and operational focus of each company and drive value for stakeholders.

2025: Flat Orthopaedic sales dragging on total Medtech +6%

4) Divesting “slower” and “lower” business units.

Slower growth and **Lower margin** business units being separated.

1

2

MEDTECHDIVE Deep Dive Library Events Press Releases Topics ▾

DIVE BRIEF

BD plans split from life science business to fuel medtech investment

CEO Tom Polen said BD will “double down on shifting our portfolio, both organically and inorganically through tuck-in M&A, into higher-growth, high-margin accretive growth spaces.”

Published Feb. 7, 2025

By [Nick Paul Taylor](#)
Contributor

➔ Share 📄 License 📌 Add us on Google

Sold the Diagnostics and Biosciences business to Waters in July 2025

4) Divesting “slower” and “lower” business units.

Slower growth and **Lower margin** business units being separated.

1

2

3

MAY 21, 2025

Medtronic announces intent to separate Diabetes business

Corporate Diabetes

Enables intense focus on highest margin growth drivers where Medtronic has leading core competencies

Leading, scaled, direct-to-consumer Diabetes business poised to become standalone company; only company with a complete ecosystem to address intensive insulin management

4) Divesting “slower” and “lower” business units.

Slower growth and **Lower margin** business units being separated.

1

2

MAY 21, 2025

4

Stryker to Spin off Spinal Implants Business

January 31, 2025 | [Michael R. Christensen](#)

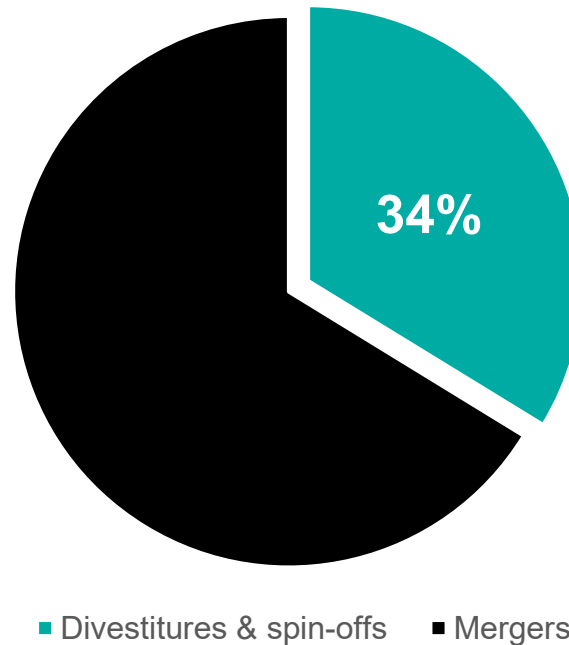
[Stryker](#), one of the world's largest medtech companies, announced on January 28 that it would be selling its Spinal Implants business to [Viscogliosi Brothers](#), a New York-based, family-owned investment firm founded in 1999 by three brothers.

“We’ve moved into so many other faster growing spaces, and this is really where we’d like to spend our time and our energy. It’s a very competitive market on the implant side of the business where we just haven’t had the same degree of innovation that we’ve had in other parts of our portfolio. So this felt like the right time.”

4) Divesting “slower” and “lower” business units.

Slower growth and **Lower margin** business units being separated.

In 2025 over one-third of Med Device M&A value came from spin-offs



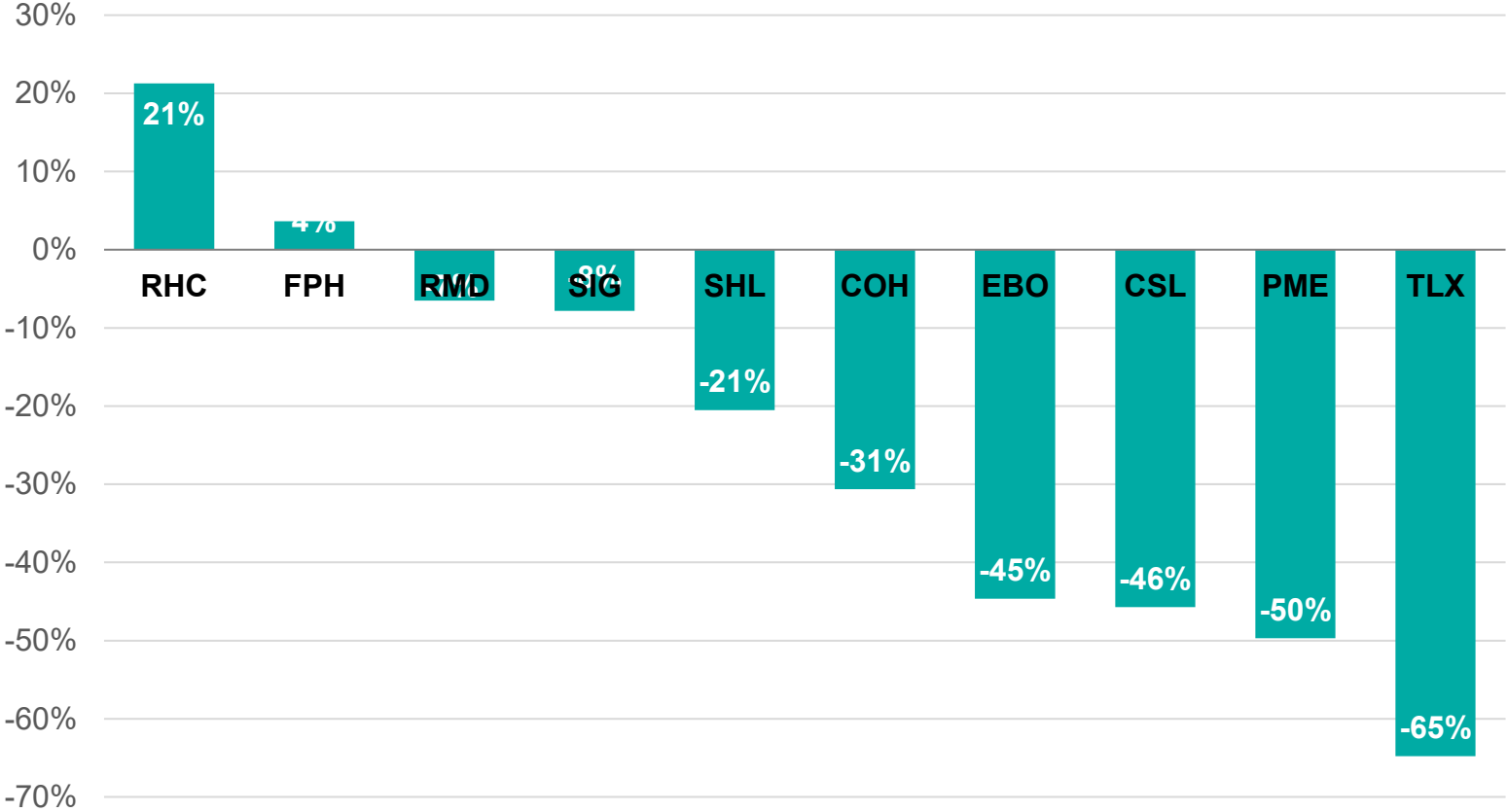
Source: Granzberg et al., Bain & Co., Jan 2026.

Looking Local

ASX Healthcare

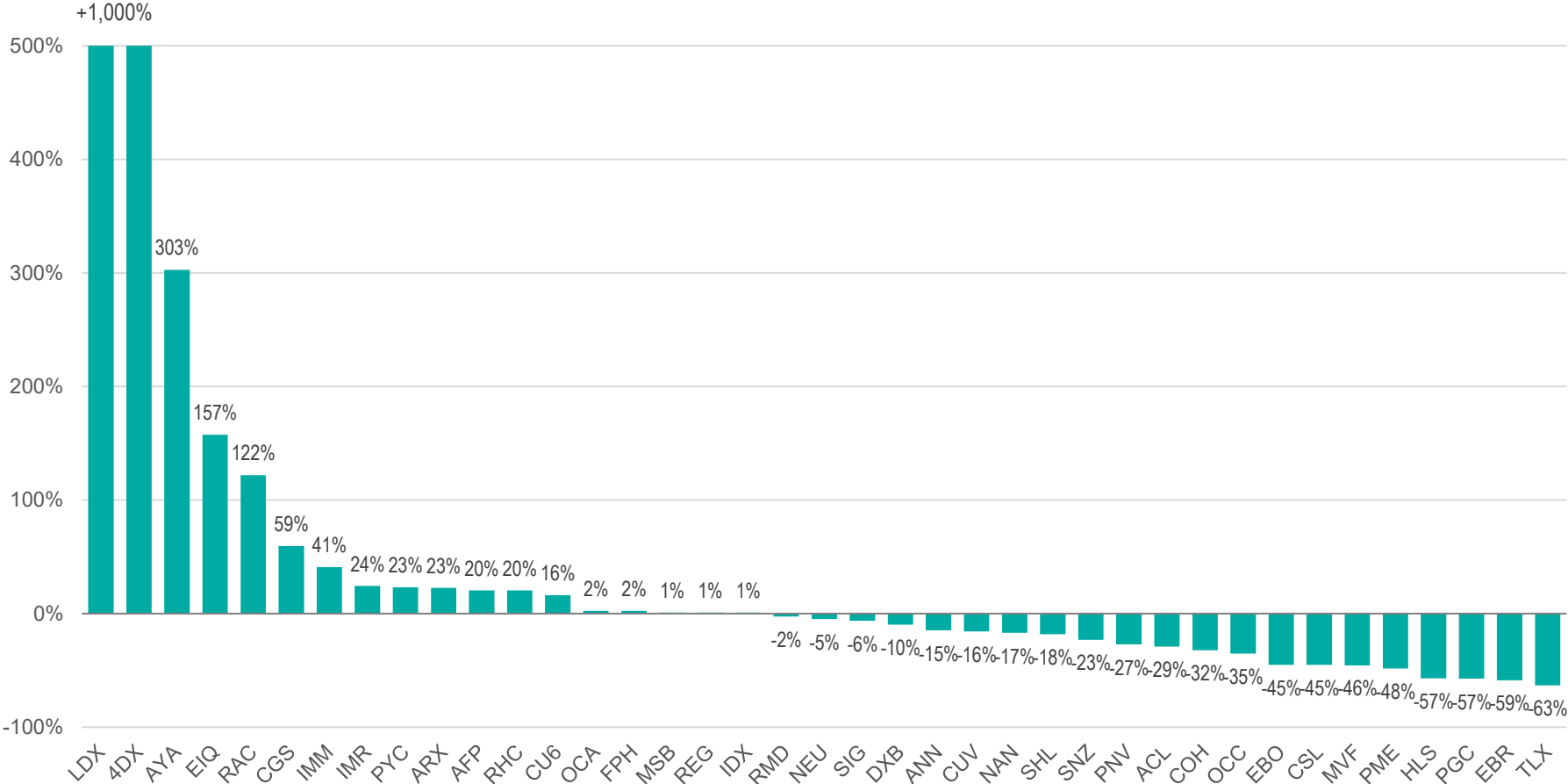
Large cap Healthcare stocks have underperformed

ASX Large Cap Healthcare: Last 12 months performance



Winners have been in small caps

ASX Small Cap Healthcare: Last 12 months performance



Data as at 9 March 2026

BELL POTTER

Thank you

Thomas Wakim – twakim@bellpotter.com.au
